

HOUSING ACT 2004

HMO Licensing

Guidance notes to assist applicants in completing the licensing application form for a House in Multiple Occupation (HMO)

Introduction

Whilst the procedures required to issue a licence are fairly lengthy, we have tried to make the application process as easy as possible to understand. If you do not understand how to answer a question, please refer to the notes in this booklet. If after reading this booklet, you still need further advice, please contact the Council.

The notes in this booklet have been split into three parts:

Part 1 provides further explanation with respect to certain questions or statements cross referenced directly to the application form.

Part 2 contains notes relating to Misrepresentation and Data Protection.

Part 3 consists of a glossary of words or terms having a specific legal meaning.

The Council will also provide you with instructions on how to produce a floor plan of your property and explain what details need to be included.

The application form is made up of seven separate sections:

Section 1 – asks for specific details about the property and explains about the need to produce a floor plan.

Section 2 – asks for full details about the proposed licence holder, including a fit and proper person assessment.

Section 3 – only needs to be completed if the proposed licence holder intends to appoint someone else to manage the property. If so, it asks for full details about the property manager, including a fit and proper person assessment.

Section 4 – asks for details about property and tenancy management.

Section 5 – this part requires you to inform anyone else with a relevant interest in the property that you have made an application for a licence.

Section 6 – asks for the proposed licence holder to provide details of all other properties for which they hold a licence under either part 2 or part 3 of the Housing Act 2004. This must include properties within the local Council area, or within any other Council area.

SECTION 1		
	For the purposes of licensing, storeys include:	
1.3.6	 basements if they are used or are capable of being used for habitation or if tenants have regular access to them, even if it is just to allow them to switch off gas, electricity supplies, or for use as a games room or for storage purposes, etc; attics, lofts etc. if they contain any rooms; mezzanine floors, that is, floors constructed between the main floors of a house. The law in this matter is not clear. For the time being, the Council takes the view that a few steps between for example the front and rear of a house will not constitute an additional or mezzanine storey. A single change in level not exceeding 1 metre between two parts of a house will not be regarded as a mezzanine floor. 	
1.4.1	If you do not have an exact answer to this question just give any rough information you have e.g. "It was already an HMO when I bought it in 1994".	
1.4.2 &1.4.3	A Buildings Regulation approval is a document issued by the Council's Building Control Officers. When you decide to carry out work which needs Building Regulations approval, you or your chosen contractor should apply for approval by submitting plans and specifications to your local Building Control Office. If the Building Control Officer can see that the work you propose will result in compliance with the standards enforced at the time then a Building Regulations approval notice will be issued. Building Control Officers may also issue completion certificates when the work has been completed and found on inspection to comply with the Building Regulations. Works which needs Building Regulation approval include: any structural work, new or amended drainage and fire precaution work. The Council is looking for information about the sort of work which has previously been carried out. Only brief details are required such as "May 1990, New bathroom to first floor" or "November 1992 Ground floor extension to enlarge kitchen & provide additional let". Not being able to provide such documents will not stop the Council from awarding a licence.	
1.5.1	Habitable rooms are rooms capable of being used for everyday activities. Such rooms would include all living accommodation and sleeping accommodation but would exclude kitchens, bathrooms, conservatories porches and unconverted basements.	
1.5.2	Sleeping accommodation means rooms within the house in which a bed or other furniture for sleeping are provided.	
1.5.3	Living accommodation means rooms in the house which are used for everyday living activities, such as living rooms, dining rooms, studies, games rooms & sports rooms. Where a room has a dual function in that it is used as a bedroom and living room, it should be classed as sleeping accommodation.	
1.5.4 &	Flats in these questions mean a room or a set of rooms within the property which provide most or all of the essential elements of a home. The essential elements being: sleeping accommodation, living accommodation, bathroom and kitchen facilities.	

1.5.5	These elements will normally be located "behind one door". Flats will be regarded as self-contained if they contain all four elements "behind one door". If they share a bathroom or kitchen with another flat they will be regarded as not self-contained.
1.6.9	"Suitable" means heating which is safe to be used in a damp environment and is capable of raising the temperature of the room to a comfortable level within a reasonable period. Heaters in shared bathrooms must not be coin- operated. Running costs must be met out of general rental income.
1.6.10	There are good reasons to ensure that your property is as well insulated and draught proofed as possible. However for the purposes of this application the Council just wants to know how well insulated the roof void immediately above the living accommodation is.
1.6.16	As guidance, the Council will normally accept a window which has a glazed area equivalent to at least one tenth of the floor area of the room as having adequate natural lighting. This may vary according to the aspect and height above ground level and whether there are any obstructions etc.
1.6.17	As guidance, the Council will normally accept openable windows with an area of at least one twentieth of the floor area of the room as having adequate natural ventilation. Mechanical ventilation can be accepted as an alternative in some cases.
1.7.1	Letting units means the number of units of accommodation you offer in the house. The number should be the same as the maximum number of tenancy agreements you might have at any one time. This may be different to the number of tenants as some units may be occupied by more than one person or you may have joint tenants for some units.
1.7.3	Include all people of all ages living at the property at the time of application.
1.7.4 to 1.7.6	When the Council issues a licence it must say how many persons and households can lawfully occupy the house (see the glossary for a full definition). Ensure that you give the maximum number of persons and households you are realistically likely to let your house to. This will save you having to apply for an amended licence should you wish to increase the number of occupiers. Remember however that the total number of persons or households may affect the fee payable. If the Council thinks the number should be lower it will inform you.
1.7.7 to 1.7.8	Please state here if the proposed licence holder, owner or manager lives on the premises. This can affect the property's eligibility for licensing. It is also helpful to know if someone with more responsibility, such as an employee or relative lives on the premises.
1.8.1	Include any piped gas supply from mains gas or a liquefied petroleum gas storage vessel.
1.8.2	This is the "Landlord's gas safety record" which is known to most landlords as a "Gas Safe certificate" Landlords must obtain one of these certificates on an annual basis. If you cannot provide a valid certificate, the Council will contact you fairly quickly to find out why. Failure to produce such a certificate may be grounds for refusing to grant a licence.
1.8.3 &1.8.4	Under the Electrical Equipment (Safety) Regulations 1994 there is a requirement that all electrical appliances supplied or provided in the course of a business are safe. Whilst there is no absolute requirement in law to have

	annual testing in domestic properties, the Council can ask you at any time to demonstrate that all the electrical appliances are safe. It is good management practice to have all of your portable appliances tested on an annual basis by a competent electrician.
	Written records of findings should be kept along with notes of any action taken as a result of the report. It is good practice to attach a label to each appliance when it is tested with the date, the tester's name and whether the appliance has passed the safety test. Your insurer may wish to see evidence of such good practice in the event of a claim.
	All portable appliances provided by the landlord need to be included. For example, refrigerators, washing machines, microwave ovens, kettles, irons and TVs. Appliances abandoned by previous tenants and not removed by the landlord will be regarded as belonging to the landlord.
	The rules do not extend to items brought in to the property by tenants. However landlords should consider asking tenants to have their electrical appliances tested for the benefit of everyone's safety. Failure to provide an inspection report will not normally lead to refusal of a licence. However, you would be asked to produce one within a specified period of time as a condition of the licence.
1.8.5	To ensure that the property is maintained in a safe condition, the landlord must demonstrate that the electrical installation and accessories (e.g. socket outlets, switches etc.) are regularly tested and that any deficiencies are remedied.
	As fixed installations are less likely to develop faults the Council asks that this is done on a five-yearly basis. This does not mean that the fixed installation can be ignored in-between and landlords should use common sense to identify electrical installation problems before they become a serious hazard.
	Again, written records of findings should be kept along with notes of any action taken as a result of the report.
	Failure to provide an inspection report will not normally lead to refusal of a licence. However, you would be asked to produce one within a specified period of time as a condition of the licence.
1.8.6 To 1.8.10	Fire detection and warning systems and emergency lighting systems are, on the whole, reasonably reliable provided they are properly maintained. The effectiveness of a system can however quickly be affected if it is interfered with or damaged and all systems will naturally deteriorate over time (for instance through the build-up of dust or cobwebs in the detectors and the gradual loss of electrical capacity within the back- up batteries).
	For these reasons it is important that the systems are regularly tested. As the licence holder or manager of a HMO you should be familiar with how the systems operates, how to recognise faults and how to get them put right. You should therefore be carrying out your own regular checks as part of an overall fire risk assessment. In addition to these checks, the systems must be thoroughly checked and tested at least every twelve months by a suitably competent person (such as a qualified electrician or specialist fire alarm engineer). You are therefore asked to submit the latest test certificates or reports as part of your licence application.
	Failure to provide inspection reports will not normally lead to refusal of a licence. However, you would be asked to produce them within a specified period of time as a condition of the licence.

1.8.11 & 1.8.12 1.9.1	The Furniture and Furnishings (Fire)(Safety) Regulations 1988 cover the following items which contain upholstery: beds, headboards, mattresses, sofa-beds, nursery furniture, garden furniture which can be used indoors, scatter cushions, seat pads and pillows and loose and stretch covers for furniture. If you provide any of these items they must be capable of passing the match and cigarette resistance tests and be filled with specially treated foam which burns more slowly. The only practical way of assessing this is to rely on labels sewn into the items during manufacture. Unless you can provide sound evidence that items of upholstered furniture will meet the ignitability tests you should only answer "yes" to question 1.8.12 if all the upholstered furniture you provide has an appropriate fire resistance label (see the glossary of terms). Leasehold means control of the property by virtue of a lease. The owner of a property can agree to grant control of the property to some other person or body for a specific period of time. The leaseholder acquires the rights and obligations as set out in the lease agreement, usually to the same extent as the	
	freeholder.	
1.9.4	If the Council has to serve a notice on the person having control of a property, there is often an obligation for the Council to advise other people who have an interest in the property that a notice has been served. Please give the address of the branch of the organisation you obtained your mortgage from. Your account number is also required as many organisations have difficulty in identifying the exact mortgage account and customer without one.	
1.9.7	Some Councils run voluntary accreditation schemes to promote good practice in	
То	rented housing. These can be either landlord or property based.	
1.9.10	If the proposed licence holder belongs to a local authority accreditation scheme or the particular property is accredited then this should be mentioned here.	
1.9.11	Approved accommodation list means not just that the educational institution has	
То	agreed to advertise your property but that they have assessed the property and have formed a view on its suitability and quality.	
1.9.12		
1.9.13	'Create a tenancy' means to let a property (or part of a property) to a tenant under the terms of an agreement without further reference to anyone else.	
	'Terminate a tenancy' means to follow the steps allowed by law to bring a tenancy to an end without further reference to anyone else.	
	Authorise Expenditure means having the power to agree that money can be spent on building work, materials, etc., to ensure the proper management of the property without having to seek approval from anyone else.	
SECTION 2		
2.1.10	Tick the 'Own' box if you own the property outright. If you share ownership with a wife or partner please tick the 'Part own' box. If you have a mortgage on the property you are still the legal owner of the property and the lender will not be regarded as a part-owner.	
Part 3	The Council cannot list all of the statutes this section refers to. If in doubt please give full details in the box provided. If you need more space, you can write the details on a separate sheet of paper and attach it securely to the form. You may be required to submit a basic disclosure certificate.	

SECTION 3			
Part 3	The same notes apply as in the item immediately above		
	SECTION 4		
4.1.1 To	Operating a HMO is a business and needs to be treated as such. In Section 4, you need to demonstrate that you have thought carefully about the management of the property and that you have procedures in place to deal with all likely events.		
4.6.11	The example answers given in the right hand column are not necessarily correct or appropriate for your particular circumstances. They are only meant to indicate the level of detail you need to supply. The Council has to form an opinion as to your competency to manage the property.		
	If you are unable to provide an answer to any of the questions or if you provide any answers which indicate poor management practice, the Council may require you to submit further supporting information. If the Council is still not satisfied with the information you provide then, as a last resort, the Council may decide to refuse your licence application.		
	Attending an approved training course could be made a condition of The licence in some cases.		
	SECTION 5		
Sectio n 5A & 5B	Full instructions are included on the form		

SECTION 6			
	The law says that the proposed licence holder must disclose details of all licensed HMOs which he or she controls. The Council appreciates that when HMO licensing first comes into force, it is unlikely any other HMO licences will yet be in force. Technically you only need to list other HMOs which have actually been granted a licence at the date your application is submitted. However, it would be helpful if you could list all licensable properties you control but where appropriate, mark them as "application pending" instead.		
	DECLARATION & ENCLOSURES		
	This is intended to act as a check-list so that you can be sure that you have included all of the appropriate certificates and other documentation required. Any original certificates or reports you supply will be photocopied and returned to you.		
	The owner(s), proposed licence holder and manger must sign and date the declaration to confirm that the application form has been fully and truthfully completed.		

Part 2

Notes Relating to Misrepresentation and Data Protection

Misrepresentation

An application for an HMO licence is a serious matter and should be regarded in the same manner as applications for other licences such those required for the sale of alcohol, provision of entertainment or to operate a hackney carriage.

Please note that it is a criminal offence to knowingly supply information which is false or misleading for the purpose of obtaining an HMO Licence. Evidence to support any statements or information made in the HMO Licence application may be required at a later date. If the Council subsequently discovers something which is relevant and which you should have disclosed or which is incorrectly or imprecisely stated or described, the licence may be cancelled or other action taken. This may affect other HMO licences with which you have any connection.

Data Protection

All of the information provided in the application forms will be handled in accordance with the provisions of the Data Protection Act 1998.

To fulfil the Council's obligations under Part 2 of the Housing Act 2004, the Council requires you to provide the information asked for in this form for the following purposes:

1) To identify the persons involved in the management of the HMO and to facilitate legal proceedings in the event of any offence connected with the licensing of the HMO

2) To obtain information needed to assess the fitness and competence of persons involved in the management of the HMO

3) To link properties and persons involved in the management, control and ownership of the HMO and any other relevant HMOs

4) To obtain information concerning the suitability of the property involved to be licensed as an HMO

The information you provide may be shared to the extent that it may need to be verified with other agencies such as the Police, other local authorities and other departments within the Council. Some of the information you provide will be entered into a public register but only to the extent required by law. A list of the information that is required to be published is given below.

The Council may be required to disclose to government agencies certain information you provide. The information may also be used for research, analysis and statistical purposes.

Public Register Information

The information the Council is obliged to publish in respect of each HMO licence granted under Part 2 of The Housing Act 2004 is as follows:

- a) the name and address of the licence holder
- b) the name and address of the person managing the house
- c) the address of the licensed HMO
- d) a short description of the licensed HMO
- e) a summary of the conditions of the licence
- f) the commencement date and duration of the licence
- g) summary information of any matter concerning the licensing of the HMO that has been referred to; and
- summary information of any decision of the a residential property tribunal or the Lands Tribunal that relate to the licensed HMO together with the reference number allocated to the case by the tribunal
- i) the number of storeys comprising the licensed HMO
- j) the number of rooms in the licensed HMO providing
 - i) sleeping accommodation
 - ii) living accommodation
- k) in the case of a licensed HMO consisting of flats
 - i) the number of flats that are self-contained
 - ii) the number of flats that are not self-contained
- I) a description of shared amenities including the numbers of each amenity; and
- m) the maximum number of persons or households permitted to occupy the licensed HMO under the conditions of the licence.
- n)

PART 3 Glossary of Terms

This part contains definitions of certain words or phrases that appear in the application form. In some cases there may be an overlap with the notes given in Part 1. Nevertheless, this section should be useful as a quick reference guide.

Agent

Someone appointed by the landlord to carry out some or all of the duties on behalf of the landlord. This could be a professional property manager, associate or relation of the landlord. The agent may or may not be paid by the landlord.

Authorise Expenditure

Having the power to agree that money can be spent on building work, materials, etc., to ensure the proper management of the property without having to seek approval from anyone else.

Create a tenancy

Means to let a property (or part of a property) to a tenant under the terms of an agreement without further reference to a superior landlord.

Building Regulations Approval

A document issued by the Council which, following the submission of plans and/or specifications indicates that any work to be done in the property which requires Building Regulation Approval has been assessed by the Council and approval given to the works proceeding.

Building Regulations Completion Certificate

A certificate issued by the Council which indicates that specified building work carried out in the building has been completed to a standard which complied with the Building Regulations in force at the time the work was done.

Certificate of Electrical Inspection

A certificate completed and signed by a competent person indicating the state of the electrical installation, electrical switchgear and accessories and all fixed and portable electrical appliances provided by the landlord.

Companies House Registration Number

A number given to companies and limited liability partnerships when they register at Companies House. It is normally an eight digit number such as 01234567 but the first digits could be replaced with letters for a number of reasons such as region of registration.

Competent Person

In respect of gas safety inspections, a person with the appropriate qualification (ACOPS). Note that simply being Gas Safe registered is not sufficient qualification in itself as within the Gas Safe registration process there are different competencies to carry out and inspect different aspects of gas installations and equipment. Landlords should ensure that the inspection is carried out by a person qualified to inspect the types of equipment installed in the house.

In respect of electrical safety inspections, a person should be competent to issue a report with findings showing that the installation has been inspected and tested to BS 7671. The person must subscribe to an accreditation scheme administered by an approved body. Approved bodies currently include:

- BRE Certification Limited;
- British Standards Institution;
- ELECSA Limited, part of FENSA and BBA;
- NICEIC Certification Services Limited;
- Zurich Certification Ltd.

or anybody approved by the Building Regulations Advisory Committee (BRAC), or sponsored by the Office of the Deputy Prime Minister (ODPM) for the purposes of Part P of the Building Regulations.

In respect of fire detection and warning systems and emergency lighting systems, a person qualified as for electrical safety inspections described above or having an appropriate qualification in fire safety engineering.

Emergency Lighting

A system of battery powered lights complying with British Standard (BS) 5266 part 1 or equivalent where the battery is continuously trickle charged from the mains supply. The lights are located on the fire escape route and are designed to operate if the primary lighting sub-circuit fails.

Fire Detection & Warning System

A system of smoke and/or heat detectors and sounders properly designed and installed to comply with one of the following British Standards: BS 5839 Part 1 L2, or BS 5839 Part 6.

Freeholder

Means the same as owner, i.e. the person entitled to sell the property.

Furniture & Furnishings (Fire)(Safety) Regulations 1988

Regulations which require that all upholstered furniture which is offered for sale, for hire or provided in furnished privately rented accommodation must comply with certain standards of fire safety. The full regulations are obtainable from HMSO (Her Majesty's Stationery Office) using the title and further reference: Statutory Instrument 1988 No. 1324. The regulations can also be viewed via the internet by entering the title and information into the search box on the Office of Public Sector Information website.

Gas Supply

A supply of piped gas to the house, be it from a utility company or from a local liquefied petroleum gas storage vessel.

Habitable Room

A room capable of being used for everyday activities. Such rooms would include all living accommodation and sleeping accommodation but would exclude kitchens, bathrooms, conservatories, porches etc. and unconverted basements.

HMO

Means House in Multiple Occupation. An HMO is a building, or part of a building, such as a flat, that is:

- occupied by more than one household and where more than one household shares or lacks an amenity, such as a bathroom, toilet or cooking facilities; or
- occupied by more than one household and which is a converted building but not entirely self-contained flats (whether or not some amenities are shared or lacking); or
- converted self contained flats, but does not meet as a minimum standard the requirements of the 1991 Building Regulation, and at least one third of the flats are occupied under short tenancies.

The building has to be occupied by more than one household as their only or main residence, as a refuge for people escaping domestic violence, by students during term time, or for other purposes prescribed by the Government.

Household

The following are 'households' for the purposes of the Housing Act 2004:

- A single person or members of the same family living together;
- Couples married to each other or living together as husband and wife (or in an equivalent relationship in the case of persons of the same sex);
- Relatives living together, including parents, grandparents, children (and stepchildren), grandchildren, brothers, sisters, uncles, aunts, nephews, nieces or cousins;
- Half-relatives will be treated as full relatives. A foster child living with his foster parent is treated as living in the same household as his foster parent.

Any domestic staff are also included in the household if they are living rent-free in accommodation provided by the person for whom they are working.

Therefore, three friends sharing together are considered three households. If a couple are sharing with a third person that would consist of two households. If a family rents a property then that is a single household. If that family had an au-pair to look after their children that person would be included in their household.

Landlord

The person who has the legal right to let and terminate tenancies in the house. This could be by virtue of being the freeholder, being a leaseholder, or as the result of some form of agreement with the freeholder.. If no separate manager is appointed then the landlord will also be the manager.

Landlord's Gas Safety Record

A form completed and signed by a properly qualified and competent person indicating the state of repair and appropriateness of the gas installation and appliances. The report must cover the whole of the installation and all gas appliances including necessary venting requirements.

Letting units

The number of units of accommodation you offer in the house. The number should be the same as the maximum number of tenancy agreements you might have at any one time. This could be different to the number of tenants as some units could be occupied by more than one person.

Licence Holder

A person entitled to apply for, or who has been awarded a licence in respect of the HMO. The licence holder needs to be the person who can authorise, organise and pay for essential repairs. They must be reasonably available for tenants to contact them in case of problems with respect to the property and they must have the means to resolve any problems that occur. The proposed licence holder will often be the landlord, although it could be a manager to whom the rent is paid and who has authority from the owner to effectively manage the property. Overall it is the person in control of the property. A landlord may decide to appoint an agent to

control the property and hold the licence if they are not considered to be a fit and proper person themselves. Landlords that are organisations must nominate an appropriate named person to be the licence holder. This person will be responsible for ensuring that there are no breaches of the licence.

Living Accommodation

Rooms in the house which are used for everyday living activities, such as living rooms, dining rooms, studies, games rooms and sports rooms. They exclude bedrooms, kitchens, bathrooms, uninhabitable rooms, hallways, landings, stairwells, passages and cupboards. Where a room has a dual function in that it is used as a bedroom and living room, it should be classed as sleeping accommodation.

Manager

A person or a company appointed by the landlord expressly for the purpose of managing the house. The manager could be an employee of the landlord. If no separate manager is appointed then the landlord will also be the manager. The manager will act under the instructions of the landlord and will have powers and duties given to him by the landlord.. The manager must have at least the following powers and terminate tenancies in accordance with the law;

- to access all parts of the premises to the same extent as the landlord; and
- to be authorised to approve expenditure of up to 25% of the yearly rental income of the property for necessary repairs, etc.

The manager must be able to travel to the property within a reasonable time unless there are other arrangements in place to cover every eventuality that may otherwise demand his or her presence.

Mortgage

A loan given by a lender under an agreement which is secured on the property. The lender is normally entitled to take possession of the house and sell it if repayments of the loan are not kept up.

Mortgagee

The person or financial institution who has granted a loan secured on the property. Note that this word is often interpreted incorrectly.

Mortgage Lender

The person, company or institution to whom loan repayments are made and who would be entitled to take possession of the house if loan repayments are not kept up. Another description for Mortgage Lender is Mortgagee.

Mortgagor

The person who borrows money from the mortgagee.

Owner

The person entitled to sell the property.

Person or Persons

In respect of the number of people occupying the HMO, means persons of all ages including newly born children.

Planning Consent

A document issued by the Council which, following the submission of plans and/or specifications and/or information indicates that the proposed building works comply with all relevant planning criteria.

Relevant Fire Safety Criteria

In respect of upholstered furniture means that the covering material must be match and cigarette resistant and the foam filling material must have been specially modified to make it burn less quickly. The type of furniture most likely to be subject to this requirement includes settees, armchairs, dining chairs, bed bases, mattresses, headboards, sofa beds, pillows and loose covers intended for use with upholstered furniture. Furniture which complies with this requirement should have a sewn-on label indicating compliance with the Furniture and Furnishings (Fire) (Safety) Regulations 1988. Mattresses and bed bases will not normally have such a label but instead should have a blue label indicating compliance with BS 7177:1991. All shops and wholesalers have been under a duty since 1990 to ensure that any furniture they supply is fully compliant. Any furniture you have purchased since 1990 should therefore be satisfactory but you are advised to check this carefully, particularly if the furniture is second hand.

Sleeping accommodation

Rooms within the house in which a bed or beds or other furniture for sleeping are provided (see also Living Accommodation).

Storeys

The number of floors, including basement floors, in the building which are capable in whole or part of being used for the purposes of habitation. Storeys used wholly for commercial purposes at or above ground level should also be counted. Note that this definition relates only to how storeys are counted for determining if the HMO is licensable. Storeys could be counted differently for the purpose of determining the type of fire precautions required.

Terminate tenancy

To follow the steps allowed by law to bring a tenancy to an end.